

Company Information

Company Name: Southwestern Energy Company
Gas STAR Contact: Keith Jordan
Title: HSE Manager
Address: 23 Nabco Avenue
City: Conway
State: AR
Zip: 72032
Phone: 501-548-6561
Fax:
E-mail: keith_jordan@swn.com

Company Information Updated: Yes

Activities Reported

BMP1: No BMP2: Yes BMP3: Yes

Total Methane Emission Reductions Reported This Year: 59,606

Previous Years' Activities Reported: No

Period Covered by Report

From: 01/01/2006

To: 12/31/2006

Additional Comments

Entered into Istar - JDC
6/18/07

Natural Gas

See 2 e-mails
from Keith
Jordan at
back of this
Report.

6/19/07 - CG - AT/AC

Production - Natural Gas STAR Annual Report - 2006

Southwestern Energy Company

BMP2: Install Flash Tank Separators on Glycol Dehydrators

Current Year Activities

A. Facility Summary

Number of flash tank separators installed this reporting period: **20 flash tanks**

Percent of dehydrators in system equipped with flash tank separators: _____ %

B. Cost Summary

Estimated cost per flash tank separator replacement (including equipment and labor): \$ _____

C. Methane Emissions Reduction

Method Used: **Standard Calculation--**

Data Source:

Methane Emissions Reduction: **1,892.16 Mcf/year**

Flash Tank Installation Number	TEG circulation rate (gal/hr)	Methane entrainment rate (scf/gal)	Hours of operation (hrs/yr)
20	80	3	8,760

Total # Flash Tanks Installed: **2**

D. Duration of Activity

Number of years that methane emissions reductions will be realized: **10 years**

E. Total Value of Gas Saved

Value of Gas Saved: **\$ 13,245.12**

\$ / Mcf used: **\$ 7.00**

F. Planned Future Activities

Number of flash tank separators to be installed next year: _____ flash tanks

Previous Years' Activities

Year	# of Flash Tank Separators Installed	Total Cost * (\$)	Estimated Reductions (Mcf/Yr)	Value of Gas Saved (\$)

* Total cost of installations (including equipment and labor)

Additional Comments

Southwestern Energy Company
BMP3: Partner Reported Opportunities (PROs)
Install automated air/fuel ratio control systems

Current Year Activities**A. Description of PRO**

Implemented in the design phase for new compressor engines.

B. Level of Implementation

Number of units installed: **51 units**

C. Methane Emissions Reduction

Methane Emissions Reduction: **6,528.00 Mcf/year**

Basis for the emissions reduction estimate:

Other

Calculation from Emission Reduction Reference Guide - Entered as "default"

EPA estimation methods

D. Duration of PRO

Number of years that methane emissions reductions will be realized:

10 years

-(will only allow 1 year in Istar)

E. Cost Summary

Estimated cost of implementing the PRO (including equipment and labor): \$ _____

F. Total Value of Gas Saved

Value of Gas Saved: **\$ 45,696.00**

\$ / Mcf used: **\$ 7.00**

G. Planned Future Activities

To what extent do you expect to implement this PRO next year?: **Continue implementing in new compressor engines**

Previous Years' Activities

Year	Frequency of practice or # of Installations	Total Cost * (\$)	Estimated Reductions (Mcf/Yr)	Value of Gas Saved (\$)

* Total cost of practice/activity (including equipment and labor)

Additional Comments

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Production - Natural Gas STAR Annual Report - 2006

Southwestern Energy Company

BMP3: Partner Reported Opportunities (PROs)

Install plunger lift systems in gas wells

Artificial lift: install plunger lift

Current Year Activities

A. Description of PRO

Implement as needed. Data represents a baseline for 2006. This PRO has been implemented for several years prior to 2006.

B. Level of Implementation

Number of units installed: 206 units

C. Methane Emissions Reduction

Methane Emissions Reduction: 412.00 Mcf/year

Basis for the emissions reduction estimate: Other

EPA estimate of 2mcf/yr.

D. Duration of PRO

Number of years that methane emissions reductions will be realized: 10 years

E. Cost Summary

Estimated cost of implementing the PRO (including equipment and labor): \$ _____

F. Total Value of Gas Saved

Value of Gas Saved: \$ 2,884.00

\$ / Mcf used: \$ 7.00

G. Planned Future Activities

To what extent do you expect to implement this PRO next year?: _____

Previous Years' Activities

Year	Frequency of practice or # of Installations	Total Cost * (\$)	Estimated Reductions (Mcf/Yr)	Value of Gas Saved (\$)

* Total cost of practice/activity (including equipment and labor)

Additional Comments

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Southwestern Energy Company

BMP3: Partner Reported Opportunities (PROs)

Install vapor recovery units on crude oil storage tanks

Install Vapor Recovery units

Current Year Activities

A. Description of PRO

Install VRU to reduce VOC emissions from stock tanks. Implement as needed. Data represents a baseline for 2006. This PRO has been implemented for several years prior to 2006.

B. Level of Implementation

Number of units installed: **2 units**

C. Methane Emissions Reduction

Methane Emissions Reduction: ~~372.00~~ *3650* Mcf/year

Basis for the emissions reduction estimate: ~~Other~~ *5 mcf/day per day per VRU (field estimation)*

Estimate

D. Duration of PRO

Number of years that methane emissions reductions will be realized: **10 years**

E. Cost Summary

Estimated cost of implementing the PRO (including equipment and labor): \$ _____

F. Total Value of Gas Saved

Value of Gas Saved: ~~\$2,604.00~~ *\$25,550 (3650 mcf/year * \$7.00/mcf)*

\$ / Mcf used: **\$ 7.00**

G. Planned Future Activities

To what extent do you expect to implement this PRO next year?: _____

Previous Years' Activities

Year	Frequency of practice or # of Installations	Total Cost * (S)	Estimated Reductions (Mcf/Yr)	Value of Gas Saved (\$)
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* Total cost of practice/activity (including equipment and labor)

Additional Comments

Production - Natural Gas STAR Annual Report - 2006

Southwestern Energy Company

BMP3: Partner Reported Opportunities (PROs)

~~Replace gas-assisted glycol pumps with electric pumps~~

*Convert gas-driven chemical
Pumps to electric, mechanical, or
Solar pumps.*

Current Year Activities

A. Description of PRO

Implement as part of design when electric power is available. Implement as needed. Data represents a baseline for 2006. This PRO has been implemented for several years prior to 2006.

B. Level of Implementation

Number of units installed: **1 units**

C. Methane Emissions Reduction

Methane Emissions Reduction: **194.00 Mcf/year**

*entered as
"Default calculation" since it is from Reference
Guide.*

Basis for the emissions reduction estimate: **Other**

EPA Estimate

D. Duration of PRO

Number of years that methane emissions reductions will be realized: **10 years**

E. Cost Summary

Estimated cost of implementing the PRO (including equipment and labor): \$ _____

F. Total Value of Gas Saved

Value of Gas Saved: **\$ 1,358.00**

\$ / Mcf used: **\$ 7.00**

G. Planned Future Activities

To what extent do you expect to implement this PRO next year?: _____

Previous Years' Activities

Year	Frequency of practice or # of Installations	Total Cost * (\$)	Estimated Reductions (Mcf/Yr)	Value of Gas Saved (\$)

* Total cost of practice/activity (including equipment and labor)

Additional Comments

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Southwestern Energy Company
BMP3: Partner Reported Opportunities (PROs)
Other: Use inert gases to perform purges

See e-mail
Last Page -

Current Year Activities

A. Description of PRO

Implement as a matter of business practice.

B. Level of Implementation

Number of units installed: **272 units**

C. Methane Emissions Reduction

Methane Emissions Reduction: **8,608.00 Mcf/year**

Basis for the emissions reduction estimate: **Other**

EPA Estimate of 31.65mcf/yr/mile

D. Duration of PRO

Number of years that methane emissions reductions will be realized: **1 years**

E. Cost Summary

Estimated cost of implementing the PRO (including equipment and labor): \$ _____

F. Total Value of Gas Saved

Value of Gas Saved: **\$ 60,256.00**

\$ / Mcf used: **\$ 7.00**

G. Planned Future Activities

To what extent do you expect to implement this PRO next year?: _____

Previous Years' Activities

Year	Frequency of practice or # of Installations	Total Cost * (\$)	Estimated Reductions (Mcf/Yr)	Value of Gas Saved (\$)
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* Total cost of practice/activity (including equipment and labor)

Additional Comments

Current Year Activities

A. Description of PRO

Implement as needed.

B. Level of Implementation

Number of units installed: **52 units**

C. Methane Emissions Reduction

Methane Emissions Reduction: **41,600.00 Mcf/year**

Basis for the emissions reduction estimate: **Other**

EPA Estimate

Production - Natural Gas STAR Annual Report - 2006

Southwestern Energy Company

BMP3: Partner Reported Opportunities (PROs)

Other: Automate System Operation to reduce venting

D. Duration of PRO

Number of years that methane emissions reductions will be realized: 10 years

E. Cost Summary

Estimated cost of implementing the PRO (including equipment and labor): \$ _____

F. Total Value of Gas Saved

Value of Gas Saved: \$ 291,200.00

\$ / Mcf used: \$ 7.00

G. Planned Future Activities

To what extent do you expect to implement this PRO next year?: _____

Previous Years' Activities

Year	Frequency of practice or # of Installations	Total Cost * (\$)	Estimated Reductions (Mcf/Yr)	Value of Gas Saved (\$)

* Total cost of practice/activity (including equipment and labor)

Additional Comments

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Southwestern Energy Company
Additional Accomplishments

May 30, 2007

From: "Keith Jordan" <Keith_Jordan@SWN.COM>
To: "Jeff Clark" <Jeff.Clark@erg.com>
Date: 5/30/2007 3:07:09 PM
Subject: RE: Southwestern Energy

Jeff, I submitted our report yesterday. After reviewing the printed version, I found a couple errors that I need to correct.

I'm not sure why but on the PRO calculation for Installing Flash Separators on Glycol Dehydrators, it appears the calculation on went for 2 flash tanks, when in fact there are 20.

Also, the installation of VRU on stock tanks was input incorrectly. The estimate should show 2 VRUs at a reduction of 5mcf/d for a total annual reduction of 3650 mcf/yr.

How can I rectify these issues on my report?

Keith Jordan

-----Original Message-----

From: Jeff Clark [mailto:Jeff.Clark@erg.com]
Sent: Thursday, May 17, 2007 9:56 AM
To: Keith Jordan
Subject: Re: Southwestern Energy

Hi Keith:

Thank you very much for your reply. Please let me know if you need any assistance with the 2006 report and I would be happy to help.

Have a great day,

Jeff

>>> "Keith Jordan" <Keith_Jordan@SWN.COM> 5/17/2007 10:37 AM >>>

Jeff, I got your voicemail the other day. We got a late start in our quantification process for CY2006. We are currently working on it and I hope to fill out the online report by the end of May or first of June.

Keith E. Jordan
DeSoto Field HSE Manager
Southwestern Energy Company
(501) 548-6561 - office
(501) 269-5684 - cell

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From: "Keith Jordan" <Keith_Jordan@SWN.COM>
To: "Jeff Clark" <Jeff.Clark@erg.com>
Date: 6/4/2007 12:08:05 PM
Subject: Southwestern Energy Report - REVISION

Jeff, in performing post-report QA/QC I discovered another error that needs to be corrected. Our operations personnel had a misinterpretation of one of the BMPs.

I need to request that the BMP associated with Purging Lines with Inert Gases be removed from our report along with all the corresponding emission reductions.

If you have any questions, please let me know.

Keith E. Jordan
DeSoto Field HSE Manager
Southwestern Energy Company
(501) 548-6561 - office
(501) 269-5684 - cell

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From: "Kantamaneni, Ravi" <RKantamaneni@ICFConsulting.com>
To: "Darcie Honabarger" <Darcie.Honabarger@erg.com>, "Hauswald, Ed" <EHauswald@ICFConsulting.com>
Date: 4/26/2005 3:42:34 PM
Subject: Southwestern Energy

Darcie,

It seems that Southwestern Energy has just joined (I believe Roger received their MOU last week), so here's a summary of our marketing:

12/29/03 - Sent letter sent Harold Korell (CEO). 1/12/04 - left vm w/ Harold Korell. 1/14/04 - received call from Allan Stubblefield (VP Operations). Meeting organized for 1/26 at Southwestern HQ for 2pm. 1/19 - Allan accidentally scheduled meeting for today. Cannot make meeting on 1/26, so he asked that we contact him next time we are in town. 4/8 - sent email to Jackie Gass (jgass@swn.com) - Allan's assistant. Asked about scheduling a meeting for week of June 8th. 4/19 - left vm w/ Allan Stubblefield. 5/17/04 - confirmed meeting for 6/9 at Southwestern HQ for 1pm. 6/9 - Met w/ Alan and Danny Spaulding (staff engineer). Meeting went well. Very receptive to Gas STAR Program ideas and goals. Alan indicated that he wanted to discuss details w/ Harold Korell before proceeding. 7/23/04 - left vm w/ Alan. 8/30 - left vm w/ Allan. 9/16 Roger left vm; 10/21/04 - Allan Stubblefield returned Roger's call: Going to join but they are in the middle of hiring and expanding production. Again, he was very positive. He asked that we call after January 1. 2/1/05 - Roger left vm.

Let me know if you need anything else. Thanks.

Ravi

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CC: "Heather Wright" <Heather.Wright@erg.com>